

WORLD TRADE ORGANIZATION

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**Committee on Trade and Environment
Special Session**

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CONTINUED WORK UNDER PARAGRAPH 31(III) OF THE DOHA DECLARATION

Submission by the United States

Paragraph 31(iii)

The following communication, dated 20 February 2006, is being circulated at the request of the Delegation of the United States.

I. INTRODUCTION

1. In Hong Kong, Ministers recognized that in the context of the Committee on Trade and Environment in Special Session (CTESS), "recently more work has been carried out under paragraph 31(iii)", and instructed Members to "complete work expeditiously under paragraph 31(iii)". Given the urgency, Members do not have the luxury of continuing the same kind of unstructured debate that took place in the CTESS at length last year. Members need a way forward that focuses on the task at hand. As we continue to intensify work on environmental goods, the United States sees great utility in efforts by the CTESS to clarify "parameters to fulfill the mandate in this area" through continued technical discussions.

2. Two of the main concerns arising at the end of 2005 were that, while delegations had in good faith proposed products that could be considered "environmental goods": (1) the Secretariat's compilation¹ of submissions had become too large and unmanageable; and (2) several delegations questioned the direct environmental benefit of some of the proposed products (e.g., compact discs). At the same time, many delegations have expressed interest in having the CTESS do the technical work needed to identify goods with a clear environmental end use. In this regard, the questions below are intended to be helpful to delegations as they consider the products proposed, and therefore could provide useful parameters for the CTESS's discussion of the scope of environmental goods. Ultimately they might help determine products potentially garnering greater convergence among delegations as to their qualification as "environmental goods" for purposes of fulfilling the DDA sub-paragraph 31(iii) mandate.

3. These questions could be applied in addressing in turn various categories of goods drawn from the Secretariat's compilation, without prejudice to further categories that may be proposed:

- Air Pollution Control
- Environmental Monitoring, Analysis and Assessment
- Noise/Vibration Abatement
- Remediation/Clean-up of Soil and Water
- Solid/Hazardous Waste Management
- Waste Water Management

¹ TN/TE/W/63.

- Resource Management
- Heat and Energy Management
- Natural Risk Management
- Potable Water Treatment
- Renewable Energy
- Recycling Systems
- Other (e.g., Environmentally Preferable Products based on end-use/disposal)

II. QUESTIONS

Question 1: Does the product have a clear and direct environmental benefit?

4. Based on discussions thus far, it appears that most delegations agree that the primary factor in determining the answer to this question is that *the product has an obvious and direct environmental end use* (e.g., the product is used to control pollution or clean the environment). Such environmental end uses appear to have the greatest potential for satisfying the direct environmental benefit question, and they also allow flexibility to address potential development-related benefits (e.g., providing access to clean water, electricity, etc). Other factors put forward by delegations for consideration include that a product: advances domestic/international environmental laws and policies; is used often in the provision of an environmental service; has a lesser environmental impact based on their end use or disposal characteristics; or is used often in national or international environmental projects.

5. If a clear and direct environmental benefit is identified, delegations may also need to consider whether the product has dual/multiple uses. If yes, delegations should consider the following additional questions that have arisen in the CTESS discussions:

Question 2: If the product has dual/multiple end uses:

- A. **Can this dual/multiple use be addressed by using a narrower product description at the national level (8 or 10-digit code); and/or,**
- B. **Is the product so central to the delivery of key environmental and developmental benefits (e.g., filters for air emissions, sewage treatment equipment) that its exclusion from liberalization would significantly reduce the intended environmental benefits of this initiative and hinder sustainable development objectives?**

Question 3: Is the product sensitive or does it otherwise raise concerns for delegations (e.g., does it appear to be inconsistent with sustainable development objectives)?

6. This question seems necessary in order to allow delegations to express legitimate concerns – either trade, environment or development-related – about a particular product.

III. CONCLUSION

7. These questions are not intended to be exhaustive. The United States welcomes delegations' reactions to these indicative questions. Based on such questions, and potentially other questions that may arise, we propose that the CTESS move forward expeditiously in its consideration of proposed products. We also welcome delegations' thoughts on priority categories, such as those from the Secretariat's compilation (listed above) on which the CTESS might focus its attention in future meetings. The goal would be to complete our analysis of the proposed products (and any new proposals) by April 2006.
